

Moultonborough
2012 Library Budget
Recommendations and Comments



Advisory Budget Committee

Thursday, January 5, 2012

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To the Board of Library Trustees
Moultonborough Public Library
Moultonborough, New Hampshire 03254

The ABC has completed its' review of the 2012 Proposed Library Budget.

The ABC continues to believe and promote the concept of "One Town/ One Tax Rate" and consolidated services where we believe redundancies exist. The Trustees continue to re-enforce their understanding of the relevant RSA provisions defining Trustee responsibility for governing public libraries within the state of New Hampshire. The powers and duties of Library Trustees are defined in the state statutes Chapter, Title XVI; 202-A: 11. The Library is funded with taxpayer dollars although it is run independently from the Town Administration.

The following report represents our independent opinions and suggestions. Any opinions and suggestions offered by the ABC represent our best efforts to maximize efficiencies, spending power and to consolidate redundancies between the various elements of Town-wide Administration (Town, Library, and School). Our suggestions and opinions should not be viewed as a negative reflection of the dedicated work done by the Library Trustees or Director of the Library Operations.

Budget Summary:

The proposed Library Budget for 2012 represents \$454,484 as compared to \$444,060 for the 2011 year. This represents an overall increase of \$10,424; a 2.35 % year-over-year increase. The Committee is encouraged to see that the Trustees have reduced their year over year operating budget by \$6,480 or 7.8% (83,000 for 2012 versus 89,480 in 2011). The Trustees and Library Director should be commended for their efforts. Reductions in expenses include books, maintenance, programs and reserves (typically used for technology) offset by higher anticipated heating oil costs. Total Salaries and Benefits increased 4.6% 2012 to 2011. The Budget for 2012 includes 4.0 % pay increases for all staff, supplemented by an increase in health insurance costs.

OBSERVATIONS & COMMENTS:

Salary & Benefits

The ABC notes that the Library trustees have chosen to raise wages in 2012 across the board by 4.0%. The ABC further notes that the library while participating in the Town sponsored longevity stipends does not participate in the Town Step Raise system.

Accounting and Administration

Other Non-Core Library activities: We continue as in past reports to make the following observation related to Accounting.

Currently, the Library Trustees process all invoices for payment of goods and services manually. The committee believes that over the past several years the Library has grown considerably and that the time and effort currently expended could be more productively focused on activities directly involved in the operation of core Library Affairs. The committee believes that the Library Trustees should continue to maintain control and management over the approval process for invoice payment. However, all invoices once approved by the Library could be turned over to the Town Administrative Staff for computerized processing. Additionally, centralized processing of the accounts payable would facilitate production of a consolidated computer based Library Financial Report. Currently, the payroll is processed by the Town and the expenditures are processed by the

Library on separate accounting systems. A comprehensive consolidated computer based departmental financial report is not produced. The Committee does note and thank the Library Treasurer for the effort made this year to combine both reports providing a consolidated view of all expenditures. This committee continues to believe that consolidated accounting would also expedite the year end audit process. The majority of the committee supports transfer of processing accounts payable to the Town Administrative Staff.

Conclusion:

We would like to thank the Library Trustees for their consideration and implementation of our prior recommendations and hope that we can continue mutual improvements to the Town Library. We believe that the proposed budget for operating expenses of \$454,484 as submitted is a comprehensive representation of the cost to operate Moultonborough's Library for 2012.

Other opportunities that should be pursued for further future cost improvement are:

- Joint maintenance of building and grounds activities, janitorial services,
- Shared processing of accounts payable,
- Bulk purchase of common supplies and services.

We believe these opportunities can be accomplished while maintaining the high quality of services and autonomy currently offered by the Moultonborough Library.

The Town Administration and Library Trustees should continue to find opportunities to work together to facilitate all feasible cost sharing opportunities in 2012. We firmly believe cooperative sharing of non-core services will provide the Trustees autonomy to direct the Core Library functions as per the intent of the RSA's, while reducing redundant costs for the Taxpayer.

Respectfully submitted,

Jean Beadle, Chair - ABC

Moultonborough Budget Advisory Committee

Alan Ballard
Jean Beadle
Ed Marudzinski
Tom Randell (ABC Alternate at Large)
Kathy Garry (School Board Representative)
Barbara Sheppard (Library Trustee Representative)
Russ Wakefield (Select Board Representative)